

1 **Understanding the phase separation characteristics of nucleocapsid protein**  
2 **provides a new therapeutic opportunity against SARS-CoV-2**

3

4 Dan Zhao<sup>1,10</sup>, Weifan Xu<sup>2,10</sup>, Xiaofan Zhang<sup>1,10</sup>, Xiaoting Wang<sup>3</sup>, Enming Yuan<sup>1</sup>, Yuanpeng Xiong<sup>4</sup>,  
5 Shenyang Wu<sup>5</sup>, Shuya Li<sup>1</sup>, Nian Wu<sup>1</sup>, Tingzhong Tian<sup>1</sup>, Xiaolong Feng<sup>6</sup>, Hantao Shu<sup>1</sup>, Peng Lang<sup>1</sup>,  
6 Xiaokun Shen<sup>7</sup>, Haitao Li<sup>8</sup>, Pilong Li<sup>2,\*</sup> and Jianyang Zeng<sup>1,9,\*</sup>

7

8

9

10 <sup>1</sup>Institute for Interdisciplinary Information Sciences, Tsinghua University, Beijing, China.

11 <sup>2</sup>Beijing Advanced Innovation Center for Structural Biology, Beijing Frontier Research Center for  
12 Biological Structure, Tsinghua University-Peking University Joint Center for Life Sciences, School of  
13 Life Sciences, Tsinghua University, Beijing, China.

14 <sup>3</sup>Silexon AI Technology Co., Ltd., Nanjing, Jiangsu Province, China.

15 <sup>4</sup>Bioinformatics Division, BNRIST/Department of Computer Science and Technology, Tsinghua  
16 University, Beijing, China

17 <sup>5</sup>Protein Preparation and Identification Facility, Technology Center for Protein Science, Tsinghua  
18 University, Beijing, China.

19 <sup>6</sup>Institute of Pathology, Tongji Hospital, Tongji Medical College, Huazhong University of Science and  
20 Technology, Wuhan, Hubei Province, China.

21 <sup>7</sup>Convalife (Shanghai) Co., Ltd., Shanghai, China.

22 <sup>8</sup>Beijing Advanced Innovation Center for Structural Biology, Tsinghua-Peking Joint Center for Life  
23 Sciences, Department of Basic Medical Sciences, School of Medicine, Tsinghua University, Beijing,  
24 China.

25 <sup>9</sup>MOE Key Laboratory of Bioinformatics, Tsinghua University, Beijing, China.

26 <sup>10</sup>These authors contributed equally: Dan Zhao, Weifan Xu, Xiaofan Zhang.

27 \*E-mail: [pilongli@mail.tsinghua.edu.cn](mailto:pilongli@mail.tsinghua.edu.cn); [zengjy321@tsinghua.edu.cn](mailto:zengjy321@tsinghua.edu.cn).

28

29

30

31 **Abstract**

32 The ongoing coronavirus disease 2019 (COVID-19) pandemic has raised an urgent  
33 need to develop effective therapeutics against the severe acute respiratory syndrome  
34 coronavirus 2 (SARS-CoV-2). As a potential antiviral drug target, the nucleocapsid (N)  
35 protein of SARS-CoV-2 functions as a viral RNA chaperone and plays vital and  
36 multifunctional roles during the life cycle of coronavirus<sup>1-3</sup>. In this study, we discovered  
37 that the N protein of SARS-CoV-2 undergoes liquid-liquid phase separation (LLPS)  
38 both *in vitro* and *in vivo*, which is further modulated by viral RNA. In addition, we  
39 found that, the core component of the RNA-dependent RNA polymerase (RdRp) of  
40 SARS-CoV-2, nsp12, preferentially partitions into the N protein condensates. Moreover,  
41 we revealed that, two small molecules, i.e., CVL218 and PJ34, can be used to intervene  
42 the N protein driven phase separation and loosen the compact structures of the  
43 condensates of the N-RNA-nsp12 complex of SARS-CoV-2. The discovery of the  
44 LLPS-mediated interplay between N protein and nsp12 and the corresponding  
45 modulating compounds illuminates a feasible way to improve the accessibility of  
46 antiviral drugs (e.g., remdesivir) to their targets (e.g., nsp12/RdRp), and thus may  
47 provide useful hints for further development of effective therapeutic strategies against  
48 SARS-CoV-2.

49

50 To date, tens of millions of people have been infected with severe acute respiratory  
51 syndrome coronavirus 2 (SARS-CoV-2), causing the outbreak of the respiratory disease  
52 named the coronavirus disease 2019 (COVID-19). As a newly emerged member of the  
53 coronavirus family, SARS-CoV-2 is an enveloped positive-strand RNA virus, which  
54 has probably the largest genome (approximately 30 kb) among all RNA viruses. The  
55 nucleocapsid (N) protein of SARS-CoV-2 is mainly responsible for recognizing and  
56 wrapping viral RNA into helically symmetric structures, and thus insulates the viral  
57 genome from external environment<sup>1</sup>. It was also reported that N protein can boost the  
58 efficiency of transcription and replication of viral RNA, implying its vital and  
59 multifunctional roles in the life cycle of coronavirus<sup>2,3</sup>. Considering the abundant  
60 expression and high immunogenicity of N protein during viral infection, accumulating  
61 studies have been performed to investigate the potential of N protein to serve as an  
62 antiviral drug target<sup>4-7</sup>.

63  
64 In recent years, liquid-liquid phase separation (LLPS) has been shown to offer a highly  
65 efficient mechanism to spatially and temporally modulate the cellular processes, such  
66 as signaling transduction<sup>8,9</sup>, transcriptional control<sup>10-12</sup> and chromosome  
67 remodeling<sup>13,14</sup>. Currently, more and more researches have shown that LLPS also  
68 participates in multiple aspects of viral infection, including viral replication,  
69 transcriptional regulation, and the formation of stress granules to modulate host  
70 immune response<sup>15-22</sup>. In general, viral transcription and replication tend to take place  
71 in a specific intracellular compartment called viral factory or viral inclusion<sup>22-24</sup>, and  
72 particularly the replication and transcription complexes (RTCs) in coronaviruses<sup>25-27</sup>.  
73 Recent studies on negative-strand RNA viruses such as rabies virus, vesicular stomatitis  
74 virus (VSV) and measles virus (MeV), have indicated that LLPS is a common  
75 mechanism for N protein and phosphoprotein (P protein) to form viral inclusion-like  
76 structures<sup>17-19</sup>. Despite these known evidences of LLPS in negative-strand RNA viruses,  
77 it is unclear whether the N protein of SARS-CoV-2 or other coronaviruses undergoes  
78 LLPS and how the N protein driven phase separation participates in viral multiplication.

80 In this study, we determined the unique characteristics of the phase separation driven  
81 by the N protein of SARS-CoV-2 (termed SARS-CoV-2-N) both *in vitro* and *in vivo*.  
82 The influence of individual protein domains, mutations and nucleic acids on the phase  
83 condensation of SARS-CoV-2-N was also depicted. Importantly, the interplay between  
84 the N protein-viral RNA complex of SARS-CoV-2 (termed SARS-CoV-2-N-RNA) and  
85 nsp12, the key component of the coronavirus RTCs, was demonstrated to be mediated  
86 by LLPS. Furthermore, we found that two small molecules targeting the SARS-CoV-2-  
87 N are able to intervene the phase separation properties of the N protein-viral RNA-  
88 nsp12 (termed SARS-CoV-2-N-RNA-nsp12) complex, which may improve the  
89 accessibility of other antiviral drugs (e.g., remdesivir) to their viral targets (e.g.,  
90 nsp12/RdRp). Our findings thus open a new opportunity for developing efficacious  
91 therapeutics against SARS-CoV-2.

92

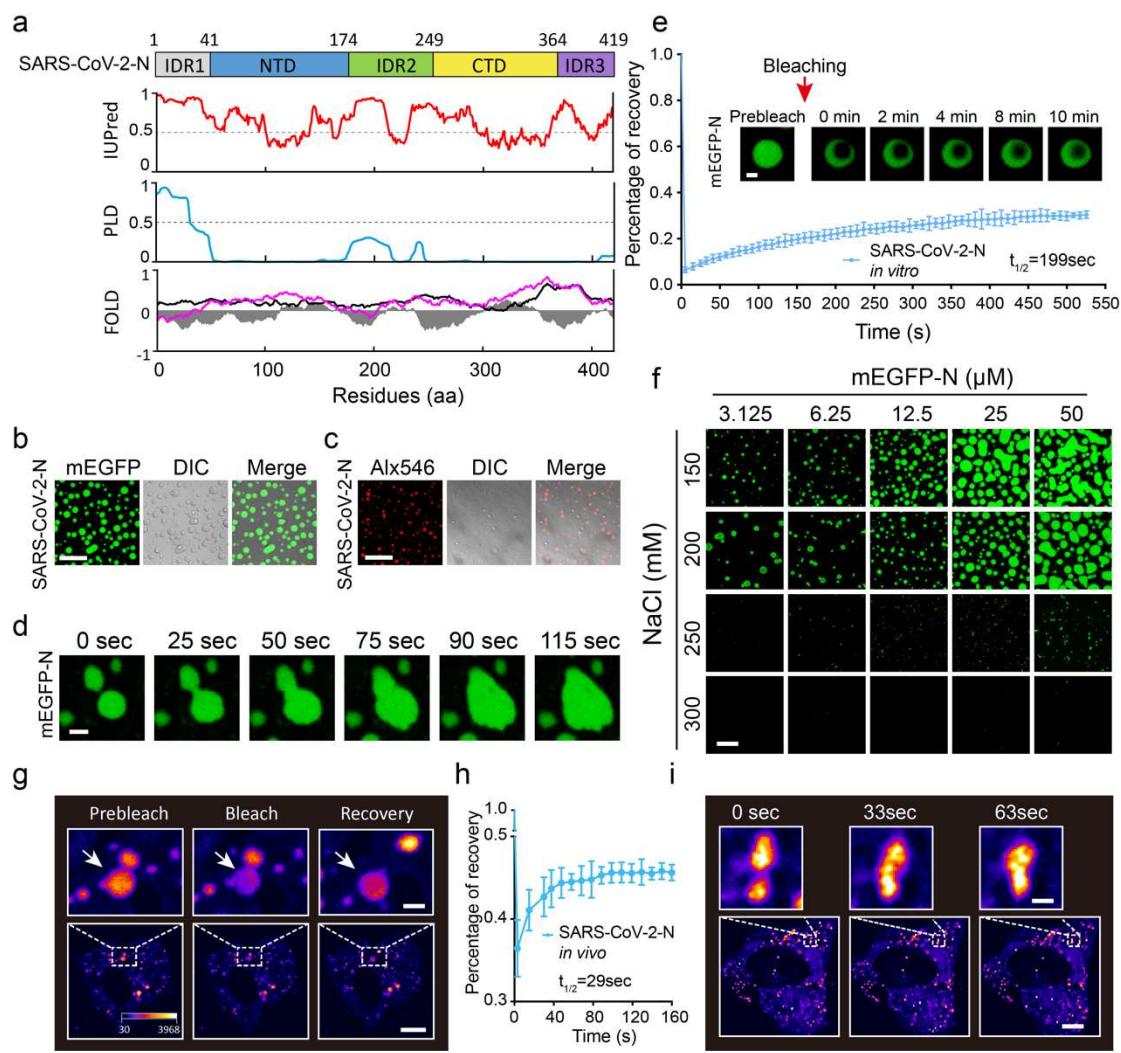
### 93 **Results**

#### 94 **SARS-CoV-2-N undergoes phase separation *in vitro* and *in vivo***

95 The nucleocapsid (N) protein of SARS-CoV-2 (termed SARS-CoV-2-N), in common  
96 with that of other coronaviruses, contains an N-terminal RNA-binding domain (NTD)  
97 and a dimerization domain at its C terminus (CTD) (Fig. 1a and see Extended Data Fig.  
98 1). The remaining domains of SARS-CoV-2-N are highly disordered, and contain three  
99 intrinsically disordered regions (IDRs), with one also displaying prion-like activity,  
100 according to the predictions using IUPred<sup>28,29</sup> and PLAAC<sup>30</sup> programs (Fig. 1a). As  
101 accumulating evidence has shown that the proteins with intrinsically disordered and  
102 prion-like properties are generally prone to undergo liquid-liquid phase separation  
103 (LLPS)<sup>31-34</sup>, it is natural to ask whether SARS-CoV-2-N also displays the LLPS  
104 characteristics. To answer this question, we first expressed and purified the recombinant  
105 SARS-CoV-2-N protein with an mEGFP-tag (a monomeric variant of EGFP, A206K)  
106 or a His-tag using a prokaryotic expression system (see Extended Data Fig. 2a, b).  
107 Confocal fluorescence microscopy showed that SARS-CoV-2-N readily self-associated  
108 to form numerous micron-sized spherical condensates (Fig. 1b, c). Further time-lapse  
109 observations revealed that the SARS-CoV-2-N condensates fused and coalesced into

110 larger ones upon their intersections (Fig. 1d, Supplementary Video 1), indicating the  
111 liquid-like properties of SARS-CoV-2-N condensates. We also used fluorescence  
112 recovery after photobleaching (FRAP) to further study the dynamics of internal  
113 molecules within the N protein condensates. Recovery of fluorescence within the  
114 bleached regions (Fig. 1e) showed that SARS-CoV-2-N can partially freely diffuse  
115 within the condensed phase, consistent with their liquid-like behavior. In addition,  
116 phase condensation of SARS-CoV-2-N was sensitive to increasing ionic strength (Fig.  
117 1f): at low protein or high salt concentrations, SARS-CoV-2-N remained dissolved in  
118 solution and no droplets were observed, whereas at high protein or low salt  
119 concentrations, it condensed into droplets, suggesting that electrostatic interactions are  
120 important for its condensation. Collectively, the above results demonstrated that SARS-  
121 CoV-2-N is capable of undergoing LLPS *in vitro*.

122  
123 Next, we examined whether SARS-CoV-2-N can also undergo LLPS *in vivo*, by  
124 ectopically expressing an mCherry tagged version of SARS-CoV-2-N in cells. We  
125 observed that SARS-CoV-2-N formed numerous puncta-like structures upon  
126 expression in Vero E6 cells (Fig. 1g). We further evaluated the dynamicity of SARS-  
127 CoV-2-N within these puncta using FRAP, and the spatiotemporal analysis of bleaching  
128 events showed that SARS-CoV-2-N redistributed rapidly from the unbleached area to  
129 the bleached one (Fig. 1g, h). In addition, time-lapse observations revealed that the  
130 SARS-CoV-2-N puncta fused into larger condensates right after their interactions (Fig.  
131 1i, Supplementary Video 2). All together, these results showed that SARS-CoV-2-N is  
132 also able to undergo LLPS *in vivo*.



134 **Fig.1 SARS-CoV-2-N undergoes phase separation *in vitro* and *in vivo*.**

135 **a**, Bioinformatic analysis of the amino acid sequence of SARS-CoV-2-N. Schematic representation  
 136 of the domain structure is shown on the top. IDR, intrinsically disorder region; NTD, N-terminal  
 137 domain; CTD, C-terminal domain; IUPred, prediction of intrinsic disorder; PLD, prediction of  
 138 prion-like region (PLAAC); FOLD, intrinsic disorder prediction by PLAAC (purple) and prion  
 139 aggregation prediction by PAPA (black). Fold index is shown in gray. **b**, *In vitro* phase separation  
 140 assays of 25  $\mu\text{M}$  mEGFP tagged SARS-CoV-2-N protein (mEGFP-N). Scale bar, 20  $\mu\text{m}$ . **c**, *In vitro*  
 141 phase separation assays of 25  $\mu\text{M}$  full-length SARS-CoV-2-N protein labeled with Alx546. Scale  
 142 bar, 20  $\mu\text{m}$ . **d**, Fusion of mEGFP-N (50  $\mu\text{M}$ ) condensates. Data are representative of three  
 143 independent experiments. Scale bar, 2.5  $\mu\text{m}$  **e**, *In vitro* FRAP analysis of the condensates (n=3) of  
 144 mEGFP-N (3  $\mu\text{M}$ ). Top, representative snapshots of condensates before and after bleaching. Bottom,  
 145 average fluorescence recovery traces of mEGFP-N condensates. Data are representative of three

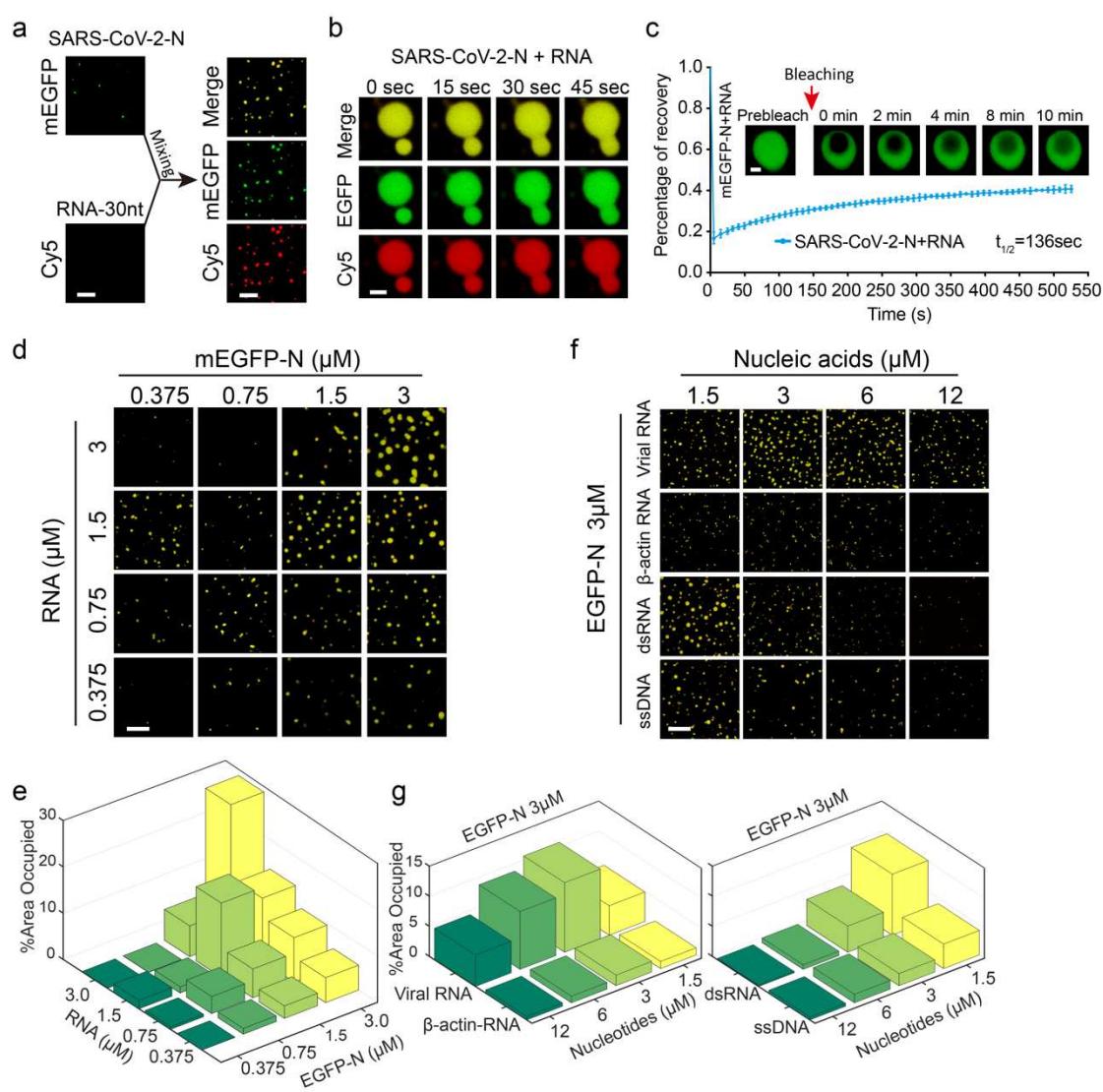
146 independent experiments and presented as mean  $\pm$  SD. Scale bar, 1  $\mu$ m. **f**, Fluorescence microscopy  
147 observations of mEGFP-N condensates *in vitro* depending on different sodium chloride  
148 concentrations and protein concentrations. Scale bar, 20  $\mu$ m. **g**, *In vivo* FRAP analysis of the puncta  
149 of the expressed mCherry-N (SARS-CoV-2-N tagged with mCherry) in Vero-E6 cells. Insets,  
150 representative snapshots of puncta before and after bleaching. The bleached punctum is marked with  
151 an arrow. Scale bars, 10  $\mu$ m (bottom), 2  $\mu$ m (insets). **h**, The average fluorescence recovery traces of  
152 the puncta (n=3) of the expressed mCherry-N protein in Vero E6 cells presented in **g**. Data are  
153 representative of three independent experiments and presented as mean  $\pm$  SD. **i**, Fluorescence time-  
154 lapse microscopy of Vero E6 cells expressing mCherry-N. In **g**, **i**, the “Red Fire” lookup table in the  
155 NIS-Elements Viewer was used to highlight the intensity difference. Two mCherry-N puncta are  
156 zoomed-in. Scale bars, 5  $\mu$ m (bottom), 1  $\mu$ m (insets).

157

## 158 **Viral RNA modulates phase condensation of SARS-CoV-2-N**

159 It was previously reported that the N protein of coronavirus prefers to bind to the  
160 intergenic regions and exhibits high binding affinity with the UCUAA pentanucleotide  
161 repeats<sup>5,35,36</sup>. Given this fact, it would be interesting to know whether viral RNA can  
162 affect the phase separation behavior of SARS-CoV-2-N. To investigate this problem,  
163 we synthesized a 30-nt single-strand RNA of SARS-CoV-2 (genomic region 28,248-  
164 28,277), which contained a UCUAA pentanucleotide and was labeled with Cy5. We  
165 found that the addition of this viral RNA to the purified SARS-CoV-2-N solution at a  
166 physiological salt concentration (150 mM NaCl) resulted in robust co-phase separation  
167 of these two components, which was more predominant than that of a single one alone  
168 (Fig. 2a). Compared to the condensates of SARS-CoV-2-N alone (Fig. 1d), the droplets  
169 of N protein-RNA (termed SARS-CoV-2-N-RNA) complex were more spherical (Fig.  
170 2b, Supplementary Video 3). In addition, the condensates of SARS-CoV-2-N-RNA  
171 complex exhibited slightly higher molecular exchange rates than those of N protein  
172 alone (Fig. 1e, 2c). To further study the phase separation properties of this two-  
173 component (i.e., N protein and nucleic acid) system under different conditions, we  
174 examined its condensation behaviors at different constituents. As in other two-  
175 component phase separation systems<sup>31,37</sup>, the complex of SARS-CoV-2-N and viral

176 RNA also exhibited an optimal molecular ratio of condensation (Fig. 2d, e). Moreover,  
177 although the synthesized viral RNA, the host-derived RNA ( $\beta$ -actin RNA), the dsRNA  
178 and the ssDNA (both derived from viral RNA sequence) all induced phase separation,  
179 viral RNA displayed the most prominent effect (Fig. 2f, g) in regulating the LLPS of  
180 SARS-CoV-2-N. Thus, viral RNA plays a dominant role in promoting the phase  
181 separation of SARS-CoV-2-N *in vitro*, and modulating the liquid-like properties of the  
182 resulting condensates.



183

184 **Fig.2 Viral RNA facilitates phase condensation of SARS-CoV-2-N.**

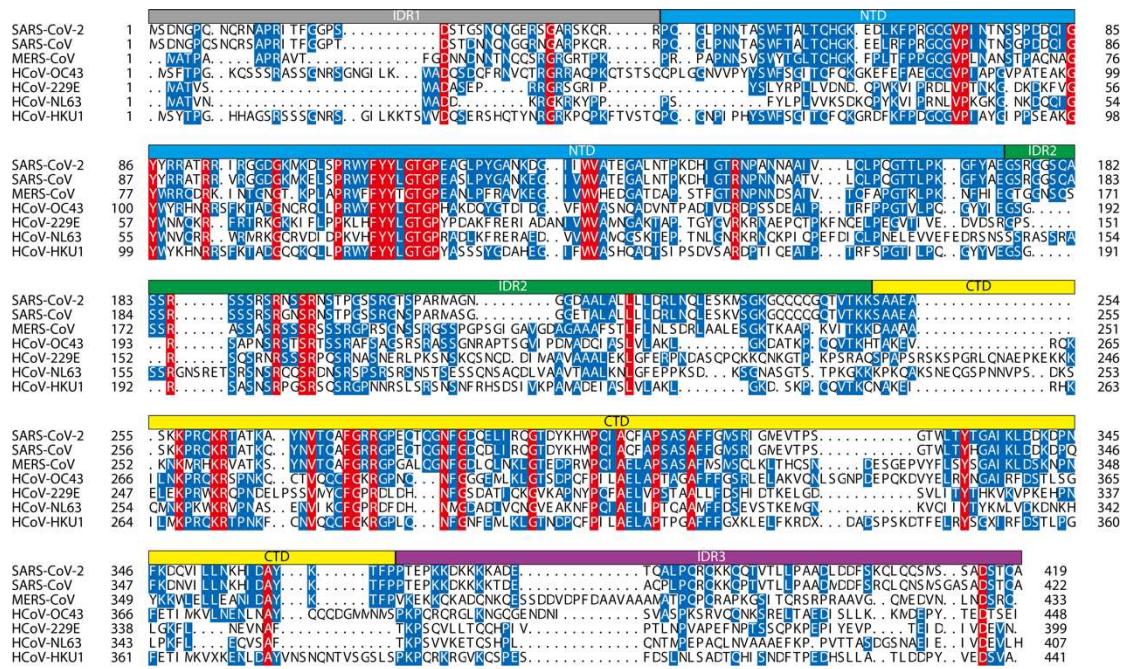
185 **a**, Left, *in vitro* phase separation assays of mEGFP-tagged SARS-CoV-2-N (mEGFP-N) alone (375  
186 nM) or Cy5-labeled 30-nt viral RNA alone (1.5  $\mu$ M). Right, puncta formed by mEGFP-N (375 nM)  
187 mixed with 30-nt viral RNA (375 nM) *in vitro*. Scale bar, 5  $\mu$ m. **b**, Fusion upon contact of the  
188 condensates of mEGFP-N (50  $\mu$ M) with 30-nt viral RNA (25  $\mu$ M). Scale bar, 2.5  $\mu$ m. **c**, *In vitro*

189 FRAP analysis of the condensates (n=3) of mEGFP-N (3  $\mu$ M) with 30-nt viral RNA (1.5  $\mu$ M). Top,  
190 representative snapshots of condensates before and after bleaching. Bottom, average fluorescence  
191 recovery traces of mEGFP-N with viral RNA in condensates. Data are representative of three  
192 independent experiments and presented as mean  $\pm$  SD. Scale bar, 1  $\mu$ m. **d**, *In vitro* phase separation  
193 assays of mEGFP-N with 30-nt viral RNA at different protein/RNA concentrations. Only the merged  
194 channel is shown here. Scale bar, 10  $\mu$ m. **e**, Quantitative comparison of phase condensation of  
195 mEGFP-N with 30-nt viral RNA presented in **d**. **f**, *In vitro* phase separation assays of mEGFP-N  
196 with nucleic acids from distinct sources and at different concentrations. Only the merged channel is  
197 shown here. Scale bar, 20  $\mu$ m. **g**, Quantitative comparison of phase condensation of mEGFP-N with  
198 nucleic acids presented in **f**. In **e** and **g**, %Area Occupied = [Sum of area occupied by N protein  
199 condensates]  $\times$  100/[The whole area].

200

## 201 **The intact structure of SARS-CoV-2-N is crucial to phase separation**

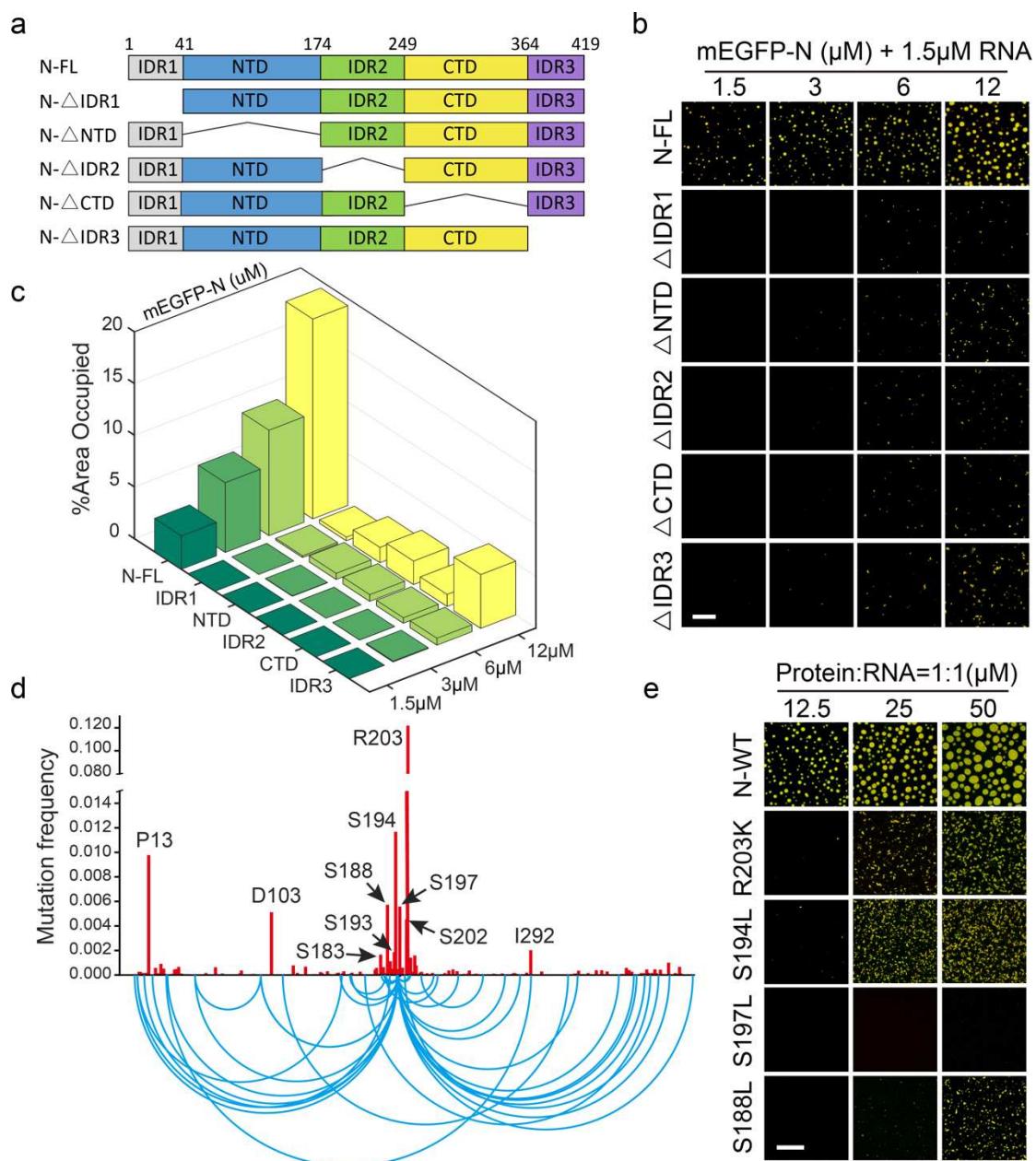
202 To determine the contributions of individual domains of SARS-CoV-2-N to its phase  
203 separation, we first designed and expressed five truncations using a prokaryotic  
204 expression system (Fig. 3a and see Extended Data Fig. 2a) and then examined their  
205 phase separation properties at various ratios of N protein to viral RNA (Fig. 3b). For a  
206 protein/RNA ratio of 1 or 2 (i.e., 1.5  $\mu$ M protein/1.5  $\mu$ M RNA or 3  $\mu$ M protein/1.5  $\mu$ M  
207 RNA, respectively), only full-length (FL) SARS-CoV-2-N exhibited the ability to phase  
208 separate (Fig. 3b). When the protein/RNA ratio reached 4 or even 8 (i.e., 6  $\mu$ M  
209 protein/1.5  $\mu$ M RNA or 12  $\mu$ M protein/1.5  $\mu$ M RNA, respectively), although the  
210 truncations also formed phase-separated condensates, their LLPS ability was much  
211 weaker than that of the full-length SARS-CoV-2-N protein (Fig. 3b, c). All these results  
212 indicated that all domains contribute to phase separation of SARS-CoV-2-N.



213  
214 **Extended Data Fig.1 Multiple sequence alignment of the N proteins from different human  
215 coronaviruses.**

216 The nucleocapsid (N) protein sequences of the currently known coronaviruses that can infect human,  
217 including SARS-CoV-2 (GenBank: QHD43423.2), SARS-CoV (GenBank: AYV99827.1), MERS-  
218 CoV (GenBank: AVV62544.1), HCoV-OC43 (GenBank: AAR01019.1), HCoV-229E (GenBank:  
219 APD51511.1), HCoV-NL63 (NCBI Reference Sequence: YP\_009328939.1) and HCoV-HKU1  
220 (GenBank: ARU07581.1), were aligned using MUSCLE<sup>38</sup>. Domain architectures are depicted above  
221 the sequence alignment. The conserved residues are shaded in red, while those with the percentage  
222 of conservation larger than or equal to 50% are shaded in blue.

223  
224

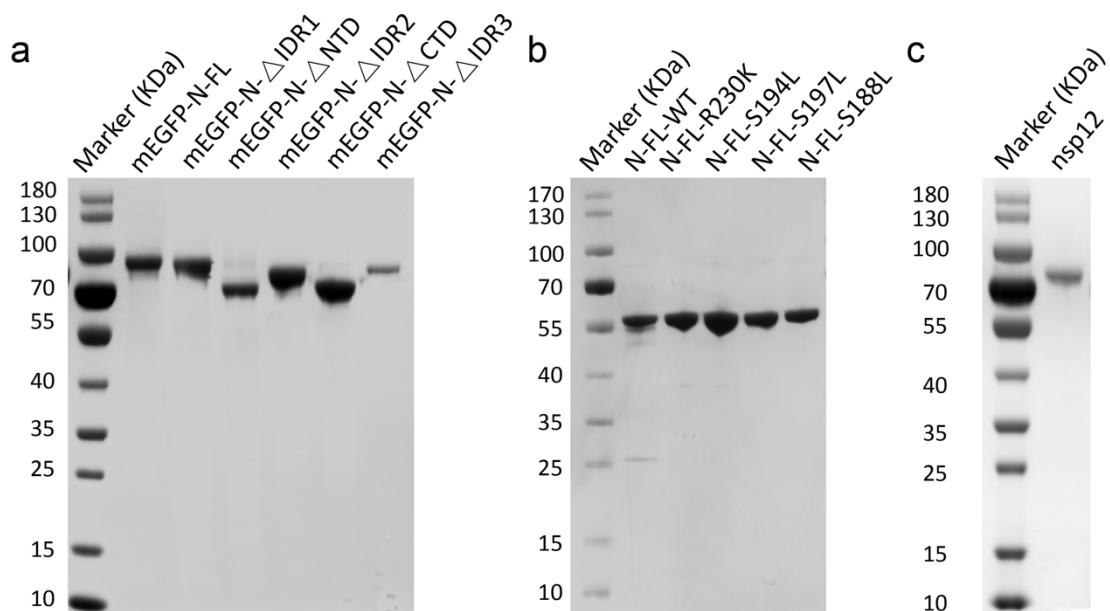


225  
226 **Fig.3 Excision of any domain and spontaneous missense mutations both compromise the LLPS**  
227 **of SARS-CoV-2-N-RNA complex.**

228 **a**, Diagram of the structural domains of SARS-CoV-2-N. Truncated proteins for functional analyses  
229 of different domains are shown underneath. **b**, *In vitro* phase separation assays of full-length (FL)  
230 mEGFP-N and truncations with 1.5  $\mu$ M viral RNA at different concentrations of SARS-CoV-2-N  
231 (The numbers under the line represent the concentrations of the proteins). Scale bar, 20  $\mu$ m. **c**,  
232 Quantitative comparison of the phase condensation of full-length and truncated mEGFP-N proteins  
233 presented in **b**. %Area Occupied = [Sum of area occupied by N protein condensates]  $\times$  100/[The  
234 whole area]. **d**, Frequencies of spontaneous missense mutations in the N protein in 61,003 SARS-

235 CoV-2 genome sequences from the China National Center for Bioinformation. Residue positions of  
236 the top 10 most frequent missense mutations are labeled. Bottom, arc diagram of double missense  
237 mutations. Only those double missense mutations with frequencies more than 0.0001 are shown. **e**,  
238 *In vitro* phase separation assays of the Alx546-labeled wild-type (WT) N protein and four mutants  
239 with mutations on the serine-arginine (SR) rich region with viral RNA of different concentrations.  
240 The ratio of N protein to viral RNA was 1:1. Scale bar, 20  $\mu$ m.

241



242

243 **Extended Data Fig.2 SDS-PAGE of the purified recombinant proteins of SARS-CoV-2-N used**  
244 **in *in vitro* assays.**

245 **a**, The mEGFP-tagged full-length (FL) and truncated proteins of SARS-CoV-2-N. **b**, The wild-type  
246 and mutant proteins of SARS-CoV-2-N with His-tagged at the N terminus. **c**, The nsp12 protein of  
247 SARS-CoV-2. The gel was stained with Coomassie Brilliant Blue.

248

#### 249 **Spontaneous mutations impair phase separation of SARS-CoV-2-N**

250 Since the first genome was sequenced in January 2020, 61,003 genome sequences of  
251 SARS-CoV-2 have been deposited into the China National Center for Bioinformation,  
252 2019 Novel Coronavirus Resource<sup>39</sup> (<https://bigd.big.ac.cn/ncov?lang=en>, July 6th,  
253 2020). Based on these available viral genomic data, although a large number of  
254 mutations have been discovered<sup>40,41</sup>, their influence on virulence and pathogenicity of

255 SARS-CoV-2 still remains largely unknown. To study the effects of mutations on the  
256 LLPS of SARS-CoV-2-N, we first collected all the missense mutations within the N  
257 protein region (between genome positions 28,274 and 29,530) (Fig. 3d). Notably, the  
258 serine-arginine (SR) rich region in the IDR2 domain of SARS-CoV-2-N was the hot  
259 spot, and harbored 7 of the top 10 most frequent mutations. The SR residues are  
260 generally considered potential phosphorylation sites, and the alternation of their  
261 phosphorylation states can impact both RNA binding and intracellular transportation of  
262 the N protein of coronavirus<sup>42-45</sup>. Among all the known missense mutations in SARS-  
263 CoV-2-N, R203K was of the highest frequency and always associated with other  
264 mutations (Fig. 3d), indicating that probably it was one of the earliest mutations. Next,  
265 we expressed and purified a number of mutated SARS-CoV-2-N protein *in vitro*,  
266 including R203K, S194L, S197L, and S188L mutants (4 among the top 5 mutations)  
267 (see Extended Data Fig. 2b), and then examined their phase separation capacity.  
268 Interestingly, these mutants displayed markedly weaker phase separation than the wild-  
269 type N protein (Fig. 3e). Thus, it is conceivable that the SR rich region acts as a  
270 regulatory hub to modulate the biological functions of SARS-CoV-2-N through turning  
271 its phase separation properties.

272

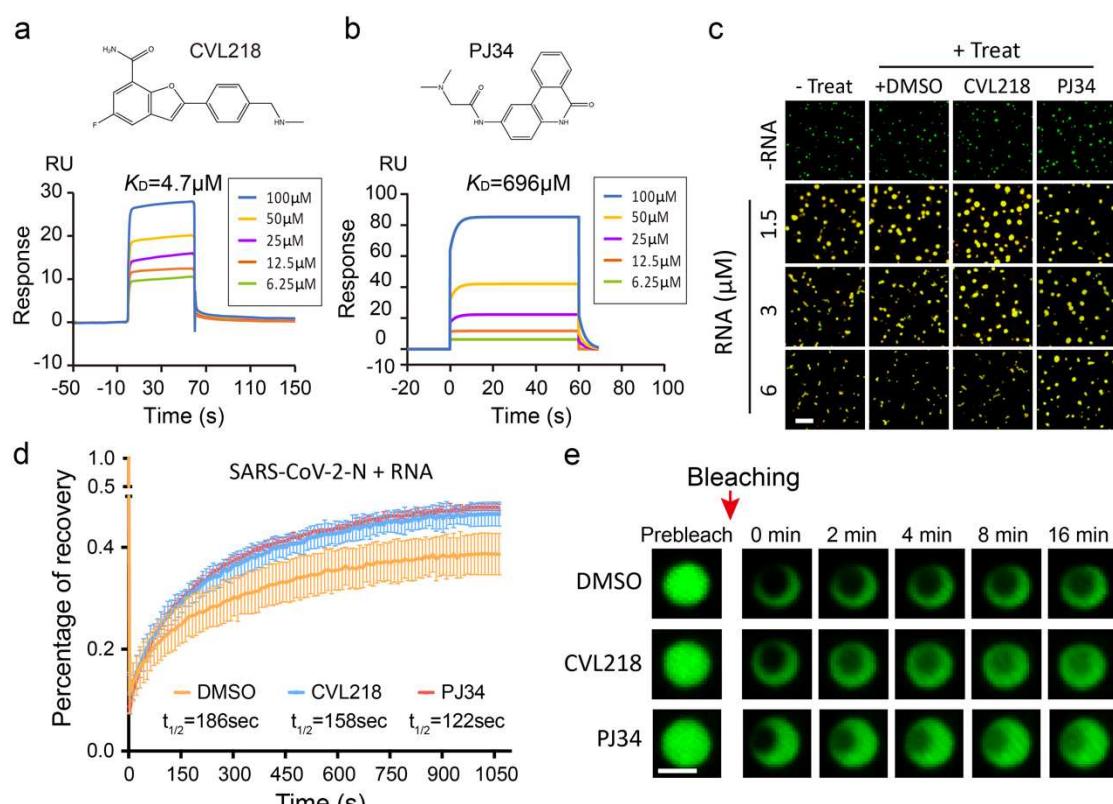
### 273 **CVL218 and PJ34 interact with SARS-CoV-2-N and affect the internal dynamics 274 of its condensates**

275 Considering the phase separation properties of SARS-CoV-2-N *in vitro* and *in vivo*, we  
276 want to know whether there exist small molecules or drugs that can intervene the viral  
277 life cycle through changing the condensation of this protein. According to our previous  
278 study, two poly ADP-ribose polymerase (PARP) inhibitors, CVL218 and PJ34, exhibit  
279 binding potential to SARS-CoV-2-N, as discovered by a machine learning based drug  
280 repositioning strategy<sup>6</sup>. Our surface plasmon resonance (SPR) assays confirmed that  
281 these two small molecules both interact with SARS-CoV-2-N, with CVL218 showing  
282 a higher binding affinity ( $K_D=4.7 \mu\text{M}$ , Fig. 4a) than PJ34 ( $K_D=696 \mu\text{M}$ , Fig. 4b). Since  
283 the N-terminal domain (NTD) and C-terminal domain (CTD) of SARS-CoV-2-N are  
284 highly conserved and play important roles in RNA binding and self-dimerization<sup>46</sup>, we

285 next investigated whether they are responsible for the interactions with these two small  
286 molecules. Unexpectedly, neither NTD nor CTD alone bound to CVL218 or PJ34  
287 according to our *in vitro* SPR results (see Extended Data Fig. 3), implying that the entire  
288 structure and conformation of SARS-CoV-2-N, including NTD, CTD and IDRs, are  
289 essential for the interactions with CVL218 or PJ34.

290

291 Next, we examined whether CVL218 and PJ34 can influence the phase separation  
292 behavior of SARS-CoV-2-N with viral RNA. We observed that the addition of CVL218  
293 or PJ34 had little effect on the number or morphology of the puncta of SARS-CoV-2-  
294 N-RNA complex, comparing to DMSO treatment (Fig. 4c). Nevertheless, the  
295 fluorescence intensity of the condensates with CVL218 or PJ34 treatment recovered  
296 faster than that with DMSO treatment after photobleaching (Fig. 4d, e), demonstrating  
297 that CVL218 and PJ34 can both enhance the internal mobility of the condensates of  
298 SARS-CoV-2-N-RNA complex.

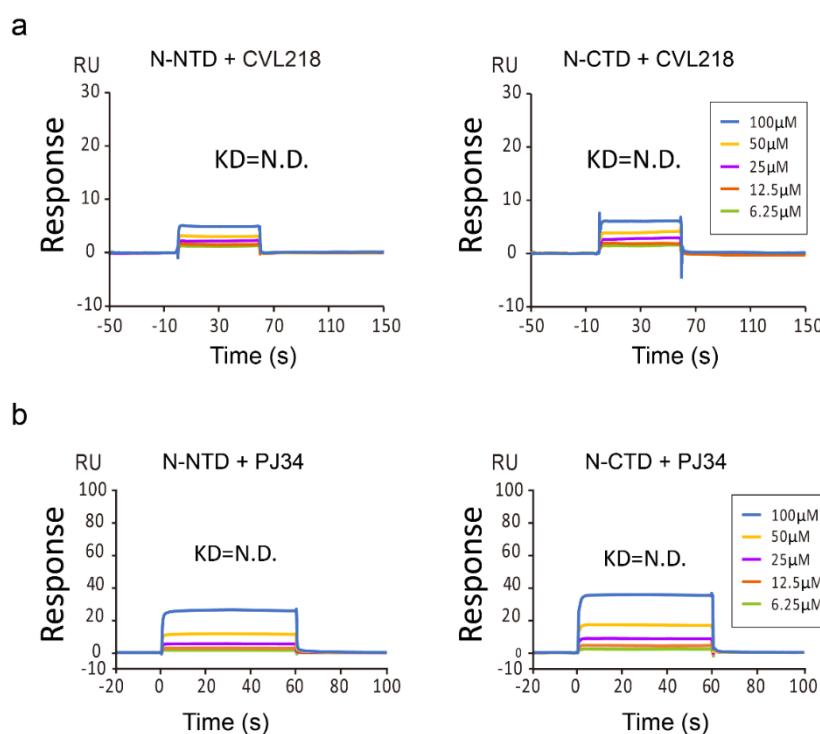


299

300 **Fig.4 CVL218 and PJ34 bind to SARS-CoV-2-N and increase the internal dynamics of its**  
301 **condensates.**

302 **a, b**, Surface plasmon resonance (SPR) assays of CVL218 (**a**) and PJ34 (**b**) to the immobilized full-  
303 length SARS-CoV-2-N. Top, the chemical structures of CVL218 and PJ34, respectively. Bottom,  
304 SPR binding curves of SARS-CoV-2-N to CVL218 and PJ34, respectively. **c**, *In vitro* phase  
305 separation assays of 3  $\mu$ M mEGFP-N (SARS-CoV-2-N tagged with mEGFP) with viral RNA of  
306 different concentrations and in the presence of 20  $\mu$ M DMSO, CVL218 and PJ34, respectively. Only  
307 the merged channel is shown here. Scale bar, 10  $\mu$ m. **d**, *In vitro* FRAP analysis of droplets (n=3)  
308 formed by mEGFP-N protein with viral RNA (mEGFP-N, 3  $\mu$ M; RNA, 3  $\mu$ M) under the treatment  
309 of 20  $\mu$ M DMSO, CVL218 and PJ34, respectively. Data are representative of three independent  
310 experiments and presented as mean  $\pm$  SD. **e**, Representative snapshots of condensates before and  
311 after bleaching presented in **d**. Scale bar, 2  $\mu$ m.

312



313

314

315 **Extended Data Fig.3 CLV218 and PJ34 do not directly bind to the NTD and CTD of SARS-  
316 CoV-2-N.**

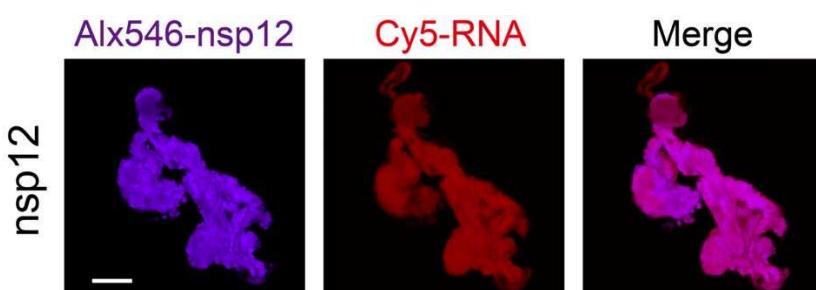
317 **a, b**, Surface plasmon resonance (SPR) assays of CVL218 (**a**) and PJ34 (**b**) to the immobilized N-  
318 terminal domain (NTD) and C-terminal domain (CTD) of SARS-CoV-2-N.

319

320 **Nsp12 can be recruited into the SARS-CoV-2-N-RNA condensates**

321 Nsp12, a core component of RNA dependent RNA polymerase (RdRp) complex in  
322 SARS-CoV-2, forms the coronavirus transcription and replication machinery with nsp7  
323 and nsp8 together (Fig. 5a). It was previously reported that N protein can cooperate  
324 with RdRp to facilitate viral infection<sup>25</sup>. However, the underlying mechanisms still  
325 remain largely obscure. To further explore whether the interplay between N protein and  
326 RdRp of SARS-CoV-2 is mediated by phase separation, we also purified the nsp12  
327 protein (see Extended Data Fig. 2c) and examined its potential involvement in LLPS.  
328 We observed that nsp12 alone cannot undergo phase separation under physiological salt  
329 condition (Fig. 5b), whereas it readily converted to amorphous condensates when  
330 mixed with viral RNA (see Extended Data Fig. 4). In addition, FRAP assays indicated  
331 that the fluorescence intensity of nsp12-RNA condensates cannot recover after  
332 photobleaching (Supplementary Video 4), implying that little molecular exchange  
333 occurs within the resulting solid-state condensates. Nevertheless, we found that nsp12  
334 can be readily recruited into the SARS-CoV-2-N-RNA condensates without changing  
335 their morphological shapes and arrangements (Fig. 5b). Here, the highly concentrated  
336 condensates of SARS-CoV-2-N-nsp12 complex may provide a favorable condition for  
337 fast viral replication *in vivo*.

338

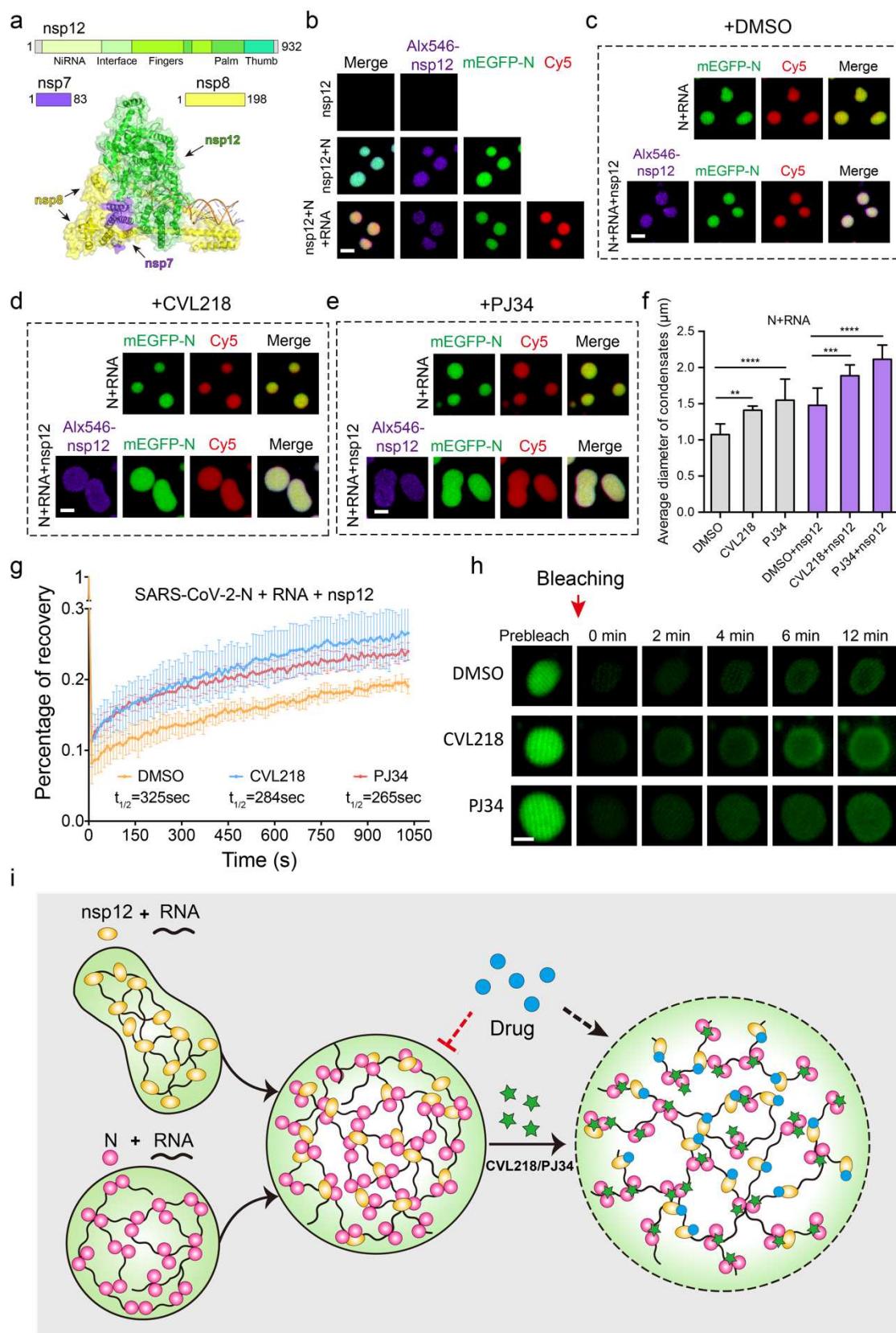


342 Fluorescence microscopy images of 3  $\mu$ M Alx546-labeled nsp12 (purple) mixed with 3  $\mu$ M Cy5-  
343 labeled viral RNA (red) of SARS-CoV-2. Scale bar, 5  $\mu$ m.

344

345 **CVL218 and PJ34 affect the morphology and condensation properties of SARS-**  
346 **CoV-2-N-RNA-nsp12 complex.**

347 Next, we sought to examined whether CVL218 or PJ34 can affect the phase  
348 condensation properties of SARS-CoV-2-N-RNA-nsp12 complex. Interestingly, the  
349 sizes of SARS-CoV-2-N-RNA-nsp12 condensates in the CVL218 or PJ34 treated group  
350 were much larger than those of the corresponding group without nsp12 (Fig. 5d-e and  
351 see Extended Data Fig. 5). More importantly, no matter with or without nsp12, the sizes  
352 of SARS-CoV-2-N-RNA condensates under CVL218 or PJ34 treatment were  
353 significantly larger than those of the DMSO treated group (Fig. 5c-f). Moreover, FRAP  
354 assays indicated that the fluorescence recovery rates of SARS-CoV-2-N-RNA-nsp12  
355 condensates were faster in the CVL218 or PJ34 treated group than those of the control  
356 treatment (Fig. 5g, h). Thus, our results suggested that CVL218 and PJ34 can induce a  
357 more dynamic condition to facilitate the intermolecular exchange of internal molecules  
358 within the droplets of SARS-CoV-2-N-RNA-nsp12 complex *in vitro*. The accelerating  
359 exchange rates of internal molecules within the droplets may loosen the solid-state  
360 condensation of the nsp12-containing RdRp complex and thus benefit the entrance of  
361 other antiviral drugs (e.g., remdesivir) into their targets (e.g., nsp12/RdRp).

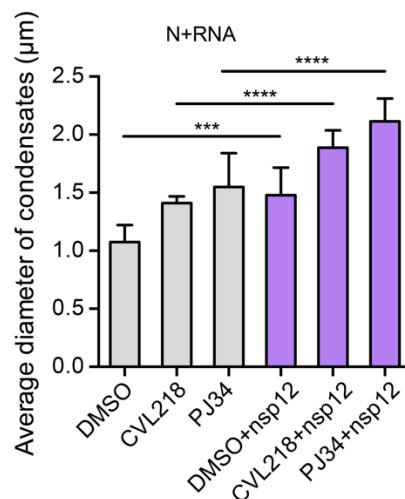


362

363 **Fig.5 CVL218 and PJ34 influence the morphology and internal dynamics of the condensates**  
364 **of SARS-CoV-2-N-RNA-NSP12 complex.**

365 **a**, Schematic diagram of the structure of RNA-dependent RNA polymerase (RdRp) complex. Top,

366 domain architectures of nsp12, nsp7 and nsp8, respectively. Bottom, a ribbon and surface view of  
367 the overall structure of RdRp complex (PDB code: 6yyt). **b**, *In vitro* phase separation assays for  
368 3  $\mu$ M Alex546 labeled nsp12 (purple) alone, with 3  $\mu$ M mEGFP-N (SARS-CoV-2-N tagged with  
369 mEGFP, green) and with the complex of 3  $\mu$ M mEGFP-N and 3  $\mu$ M Cy5-labeled viral RNA (red),  
370 respectively. The molar ratio between mEGFP-N and RNA is 1:1. Scale bar, 2  $\mu$ m. **c-e**, *In vitro* phase  
371 separation assays of 3  $\mu$ M mEGFP-N protein with 3  $\mu$ M viral RNA in the absence and presence of  
372 3  $\mu$ M nsp12 under the treatment of 20  $\mu$ M DMSO (**c**), CVL218 (**d**) and PJ34 (**e**), respectively. Scale  
373 bar, 2  $\mu$ m. **f**, Quantification of the effect of CVL218 or PJ34 treatment on the average diameters of  
374 the condensates presented in **c-e**. The diameters were measured from the fluorescence microscopy  
375 images and shown as mean $\pm$ SD over three independent experiments. P values were determined by  
376 one-way analysis of variance (ANOVA) with Tukey's multiple comparison test, \*\*: P < 0.01, \*\*\*:  
377 P < 0.001, \*\*\*\*: P < 0.0001. **g**, *In vitro* FRAP analysis of the condensates (n=3) of SARS-CoV-2-  
378 N-RNA-nsp12 complex (mEGFP-N, 3  $\mu$ M; RNA, 3  $\mu$ M; nsp12, 3  $\mu$ M) under the treatment of 20  
379  $\mu$ M DMSO, CVL218 and PJ34, respectively. Data are representative of three independent  
380 experiments and presented as mean  $\pm$  SD. **h**, Representative snapshots of the condensates before  
381 and after bleaching presented in **g**. Scale bar, 2  $\mu$ m. **i**, A model mechanism of the inhibition of viral  
382 replication and transcription of SARS-CoV-2 by small molecules in a phase separation dependent  
383 manner. Nsp12 alone cannot undergo phase separation *in vitro*, but it can be recruited into the  
384 droplets of SARS-CoV-2-N-RNA complex, despite the fact that nsp12 and viral RNA can form  
385 solid-state condensates (see Extended Data Fig. 5). Comparing to those with DMSO treatment, the  
386 diameters and mobility of SARS-CoV-2-N-RNA-nsp12 droplets obviously increased after the  
387 treatment of CVL218/PJ34, which can attenuate the local density of the condensates and thus  
388 promote the entrance of other antiviral drugs (e.g., remdesivir) into their targets (e.g., nsp12/RdRp).  
389

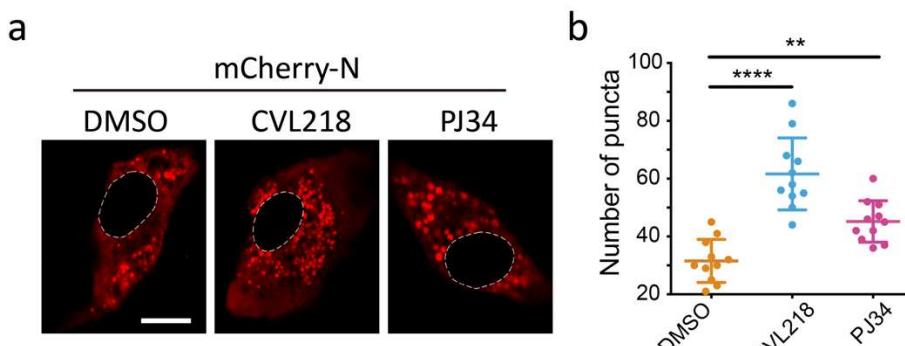


390

391 **Extended Data Fig.5 The recruitment of nsp12 enlarges the sizes of the SARS-CoV-2-N-RNA**  
392 **condensates.**

393 Supplementary quantitative comparison of average diameters of the condensates in the presence and  
394 absence of nsp12 presented in Fig.5 c, d, e. The diameters were measured from the fluorescence  
395 microscopy images and shown as mean $\pm$ SD over three independent experiments. P values were  
396 determined by one-way analysis of variance (ANOVA) with Tukey's multiple comparison test, \*\*\*:  
397 P < 0.001, \*\*\*\*: P < 0.0001.

398



399

400 **Extended Data Fig.6 CVL218 and PJ34 treatments influence the condensation of SARS-CoV-**  
401 **2-N *in vivo*.**

402 **a**, Droplet formation of the expressed mCherry-N (SARS-CoV-2-N tagged with mCherry) in Vero-  
403 E6 cells for 48h. Scale bar, 10  $\mu$ m. **b**, Quantitative comparison of the numbers of droplets presented  
404 in **a**. In total 11 transfected cells were considered in each group (i.e., DMSO, CVL218-treated or  
405 PJ34-treated). Data are shown as mean $\pm$ SD and P values were determined by one-way analysis of  
406 variance (ANOVA) with Dunnett's multiple comparison test, \*\*: P < 0.01, \*\*\*\*: P < 0.0001.

407

408 **Discussion**

409 Our results showed that the N protein of SARS-CoV-2 is capable of undergoing LLPS,  
410 and extra addition of viral RNA further facilitates its phase separation, which has also  
411 been recently confirmed by several independent research teams<sup>47-49</sup>. Moreover, with in-  
412 depth study, we discovered that nsp12/RdRp can be recruited into the condensates of  
413 SARS-CoV-2-N-RNA complex. Furthermore, in terms of the intervention of the SARS-  
414 CoV-2-N driven phase separation, we set up an experimental workflow for compound  
415 verification and proposed a conceptual framework for developing the small molecule-  
416 based therapeutics against SARS-CoV-2, based on a rationale of combination therapy  
417 to target both N protein and nsp12/RdRp.

418

419 Our work suggests that LLPS is likely to be the driving force of the connection between  
420 N protein and the replication and transcription complexes (RTCs), and thus altering the  
421 N-driven LLPS can possibly intervene viral multiplication and infection. Normally,  
422 many non-structural proteins (nsps) of coronavirus anchor in double-membrane  
423 vesicles and convoluted membranes and are packaged into RTCs in infected cells<sup>25-27</sup>.  
424 The dynamics of RTCs is generally relatively low, implying that they display relatively  
425 static structures and probably their communications with the surroundings rely on other  
426 components<sup>26</sup>. Yet, N protein is so far the only known structural protein of coronavirus  
427 that shuttles into and outside RTCs and plays a vital role in coordination with the RdRp  
428 complex<sup>25-27</sup>. Likewise, in the negative-strand RNA viruses, a granular structure termed  
429 inclusion body particularly stays in cytoplasm serving as a site of viral replication and  
430 transcription<sup>15,17-19,22</sup>. Interestingly, two structural proteins, i.e., N and P proteins, have  
431 been shown to be sufficient to spontaneously form an inclusion body-like structure  
432 mediated by LLPS in rabies virus, vesicular stomatitis virus (VSV) and measles virus  
433 (MeV)<sup>17-19</sup>. Here, we showed that in SARS-CoV-2, nsp12 can be recruited into the  
434 condensates of N protein, which are then turned to exhibit more liquid-like  
435 characteristics. Therefore, LLPS is probably an efficient mechanism to organize N  
436 protein and nsp12 together in SARS-CoV-2 to achieve fast viral replication. Of course,  
437 more evidence is needed to answer whether LLPS is a common mechanism for the

438 formation of viral-specific compartments in other viruses.  
439 Although extensive studies have been conducted on developing effective therapeutics  
440 against coronavirus through primarily targeting the spike protein and viral enzymes  
441 (e.g., nsp12/RdRp, 3C-like protease and papain-like protease), there is little success of  
442 these strategies. According to our results, we speculate that the LLPS characteristics of  
443 N protein may be one of the underlying reasons for the failure of many anti-coronavirus  
444 drugs. A related evidence comes from a recent study showing that a number of  
445 antineoplastic drugs cannot freely diffuse, but rather become partitioned in specific  
446 protein condensates *in vitro*<sup>50</sup>. This result supports the hypothesis that altering the  
447 biophysical properties of condensates may improve the distribution and efficacy of  
448 drugs. In our study, we observed that *in vitro* nsp12 and viral RNA form amorphous  
449 condensates, implying that their complex is relatively immobile, which is also  
450 consistent with the previous observations on the dynamics of RTCs<sup>25-27</sup>. The solid state  
451 of nsp12-RNA complex may exclude the nsp12 targeting drugs (e.g., remdesivir<sup>51-53</sup>)  
452 from the surrounding solution, which thus provides a possible explanation on why many  
453 nucleotide analog drugs as broad-spectrum viral RdRp inhibitors have poor  
454 performance in the treatment of coronavirus<sup>54,55</sup>.

455  
456 As a proof of concept on discovering an intervention of the N protein driven LLPS, we  
457 identified two small molecules, i.e., CVL218 and PJ34, with the ability to affect the  
458 condensation properties of the SARS-CoV-2-N-nsp12 complex. These two compounds  
459 can influence the morphology of the N protein driven condensates, and also augment  
460 their sizes *in vitro* (Fig. 5f). Meanwhile, we also observed an increasing number of  
461 puncta of overexpressed mCherry-N in Vero-E6 cells, after CVL218/PJ34 treatment  
462 (see Extended Data Fig. 6a, b). In addition, these two small molecules both tune the  
463 SARS-CoV-2-N-nsp12 droplets to become more liquid-like, thus increasing the  
464 exchange with the surrounding solution and attenuating the molecular interactions  
465 within the condensates. Based on these observations, we speculate that CVL218 and  
466 PJ34 may act as bulking agents to reduce the local density of the SARS-CoV-2-N-nsp12  
467 condensates. The increasing penetrability may possibly contribute to the access of other

468 small-molecule drugs into the condensates. Therefore, we propose that CVL218 or PJ34  
469 can be applied to facilitate the entrance of other antiviral drugs (e.g., remdesivir<sup>51-53</sup>)  
470 into RTCs by remodeling the communications between N protein and RTCs and  
471 promoting the permeability of RTCs (Fig. 5i). Our results suggest that the N protein  
472 driven LLPS is a promising target for the design of antiviral drugs, and the deep  
473 understanding into the functional roles of N protein in regulating the accessibility of  
474 RTCs will thus advance the development of anti-SARS-CoV-2 therapies.

475

476

477 **Methods**

478 **Cell culture and transfection**

479 Vero E6 cells were kindly provided by Dr. Yiyue Ge and Dr. Jingxin Li from NHC Key  
480 Laboratory of Enteric Pathogenic Microbiology, Jiangsu Provincial Center for Disease  
481 Control and Prevention. Vero E6 cells were cultured in Dulbecco's modified Eagle's  
482 medium (HyClone) supplemented with 10% fetal bovine serum (HyClone SH30071.03  
483 and SH30396.03) and maintained at 37°C in a humidified incubator with 5% CO<sub>2</sub>.  
484 FuGENE 6 (Promega, E2691) was used for transient transfection according to the  
485 manufacturer's instructions.

486

487 **Construction of recombinant plasmids**

488 The recombinant plasmids of pET28a-N and pET22b-nsp12 were kindly provided by  
489 Cellregen Co., Ltd. and Prof. Zhiyong Lou<sup>56</sup>, respectively. The mutants of pET28a-N  
490 were constructed by seamless cloning kits (Beyotime, D7010M) and confirmed by  
491 sequencing. For the construction of mEGFP-N plasmids, the full-length gene and  
492 truncations of SARS-CoV-2-N were both cloned into a PL118 vector (an in-house  
493 modified vector based on pRSFDuet1) containing an N-terminal 6×his-mEGFP tag,  
494 respectively. The full-length gene of SARS-CoV-2-N was cloned into a pCDNA3.1  
495 vector containing an N-terminal mCherry tag. The detailed primer sequences are listed  
496 in Supplementary Table 1.

497

498 **Protein expression and purification**

499 The recombinant full-length mEGFP-N protein and truncations were overexpressed in  
500 *E. coli* BL21 (DE3). After overnight induction by 0.2mM isopropyl β-D-thiogalactoside  
501 (IPTG) at 16 °C in LB medium, cells were harvested and suspended in the buffer  
502 (40mM HEPES, pH 7.5, 1M NaCl, 20mM imidazole and 2mM phenylmethylsulfonyl  
503 fluoride). After cell lysis and centrifugation, the recombined proteins were purified to  
504 homogeneity over HisTrap column and eluted with a linear imidazole gradient from 20  
505 mM to 500 mM. The proteins were further purified by size-exclusion chromatography

506 using a Superdex 200 Increase 10/300 GL column (GE Healthcare) in elution buffer  
507 (40 mM HEPES, pH7.5, 1M NaCl, 5% glycerol, 1 mM EGTA, 1 mM MgCl<sub>2</sub>). The  
508 purification procedures of the recombinant wild-type pET28a-N protein and mutants  
509 were essentially the same as that of the mEGFP-N protein except for a different size-  
510 exclusion chromatography buffer (20mM Tris, pH 7.5, 300mM NaCl).

511

## 512 **Protein labeling**

513 All pET28a-N proteins (WT and mutants) and nsp12 protein were labeled by incubating  
514 with a 1:1 molar ratio of Alexa Fluor™ 546 carbox (Thermo Fisher Scientific) for 1 h  
515 at room temperature with continuous stirring. Then, the free dyes were removed by  
516 centrifugation in MICROSPIN G-50 column (GE Healthcare, 27-5330-01). The labeled  
517 proteins were stored at -80°C. For *in vitro* phase separation experiments, 5% labeled  
518 protein was mixed with unlabeled before use.

519

## 520 **Synthesis of RNA and DNA**

521 The 5'-Cy5-labeled 10-bp viral RNA oligo (AGCUGAUGAG) and 30-bp RNA oligos  
522 (viral RNA: GAUUUCAUCUAAACGAACAAACUAAAAUGU; human  $\beta$  actin  
523 RNA: UCACCAACUGGGACGACAUGGAGAAAAUCU) with were synthesized at  
524 HIPPOBIO, LLC. The double-strand RNA was annealed at 25  $\mu$ M in the annealing  
525 buffer (40 mM HEPES, pH 7.4, and 150 mM NaCl) using a thermocycler, during which  
526 the oligos were heated up to 95 °C for 2 min and gradually cooled to 25°C over an hour.

527

## 528 **Phase separation assays**

529 *In vitro* LLPS experiments were performed at room temperature. All samples were  
530 seeded and recorded on 384 low-binding multi-well 0.17 mm microscopy plates (In  
531 Vitro Scientific) and sealed with optically clear adhesive film. For phase separation  
532 assays with the mEGFP-N protein of SARS-CoV-2, solutions of GFP fusion proteins  
533 were diluted to the indicated final concentrations in 20 mM HEPES, pH 7.4, 500 mM  
534 NaCl, 5% glycerol, 1 mM EGTA and 1mM MgCl<sub>2</sub> in a total volume of 10  $\mu$ l to induce  
535 phase separation. For the N proteins without tags, the assays were performed in 20 mM

536 Tris-HCl, pH 7.5 and 150 mM NaCl. For phase separation assays treated with small  
537 molecules, CVL218 or PJ34 (dissolved in 1% DMSO) were added to the well mixed  
538 phase separation samples prior to imaging at a final concentration of 20  $\mu$ M. The group  
539 treated with 1% DMSO was used as the control.

540 For *in vivo* assays, Vero E6 cells were seeded into 4-well chamber 35 mm dishes with  
541 a density of  $5 \times 10^5$  cells/well. For cells to reach 70% confluent, 1  $\mu$ g pCDNA3.1-  
542 mcherry-N plasmid was transfected, with the replacement of normal cell culture  
543 medium by that supplemented with CVL218 or PJ34 at a final concentration of 20  $\mu$ M.  
544 For the control wells, cell medium containing 1% DMSO was added. Imaging was  
545 performed with a NIKON A1 microscope equipped with a 100 $\times$  oil immersion objective.  
546 NIS-Elements AR Analysis was used to analyze the images.

547

548 **Fluorescence recovery after photobleaching (FRAP) measurements *in vivo* and *in***  
549 ***vitro***

550 FRAP experiments were carried out with a NIKON A1 microscope equipped with a  
551 100 $\times$  oil immersion objective. Droplets were bleached with the corresponding laser  
552 pulse (3 repeats, 80% intensity, and dwell time 1 s). Recovery from photobleaching was  
553 recorded for the indicated time point.

554

555 **Mutation frequency analysis**

556 To perform the mutation frequency analysis of SARS-CoV-2-N protein, we used 61,003  
557 SARS-CoV-2 genome sequences downloaded from the China National Center for  
558 Bioinformation, 2019 Novel Coronavirus Resource<sup>39</sup> (downloaded on July 6th, 2020).  
559 We considered all the missense mutations among the N protein region (from positions  
560 28,274 to 29,530 in the genome).

561

562 **Surface plasmon resonance assays**

563 Surface plasmon resonance (SPR) assays were performed on Biacore S200 with a CM5  
564 sensor chip (GE Healthcare Life Sciences) at room temperature. The full-length N  
565 protein, NTD and CTD of SARS-CoV-2 were all diluted in 10 mM sodium acetate (pH

566 5.0) and immobilized on a CM5 sensor chip by amine coupling. The running buffer  
567 contained 1×PBS-P with 2% DMSO. The tested drugs (CVL218 or PJ34) in 2-fold  
568 serial dilutions were made in the running buffer. The solutions flowed through the chip  
569 surface at a flow rate of 20  $\mu$ L/min at room temperature (25°C). The dissociation  
570 constants ( $K_D$ ) of CVL218 and PJ34 binding to full-length N protein, NTD and CTD  
571 were calculated from the association and dissociation curves of the sensorgrams using  
572 the BIA evaluation program (Biacore).

573

574 **Acknowledgements**

575 We thank Dr. Tingting Li for helpful discussions on phase separation. We acknowledge  
576 the assistance of Protein Preparation and Identification Facility (Technology Center for  
577 Protein Science, Tsinghua University) for protein expression and purification, High  
578 Throughput Screening (HTS) Core Facility for SPR experimental guidance (Center of  
579 Pharmaceutical Technology, Tsinghua University) and SLSTU-Nikon Biological  
580 Imaging Center (Center of Pharmaceutical Technology, Tsinghua University) for  
581 imaging support. This work was supported in part by the National Natural Science  
582 Foundation of China (61872216 and 81630103 to JZ, 31900862 to DZ, 31871443 to  
583 PL), the National Key R&D Program (2019YFA0508403 to PL), the Turing AI Institute  
584 of Nanjing and the Zhongguancun Haihua Institute for Frontier Information Technology.  
585

586 **Author Contributions**

587 DZ, WX, PL and JZ conceived the research project. PL and JZ supervised the study.  
588 DZ, WX and XZ designed and performed experiments, and analyzed the data. XT, SW  
589 and XF performed protein expression and purification *in vitro*. EY, YX and PL analyzed  
590 the SARS-CoV-2 genomic data. NW and HS analyzed the structural data of SARS-  
591 CoV-2-N. XS supplied PJ34 and CVL218 and provided discussions on the SPR results.  
592 HL participated in the project discussion and provided suggestions. DZ, WX, XZ, PL  
593 and JZ wrote the manuscript with support from all authors.

594

595

596

597 **Reference**

598 1 Malik, Y. A. Properties of Coronavirus and SARS-CoV-2. *Malays J Pathol* **42**, 3-11 (2020).

599 2 Chang, C. K., Hou, M. H., Chang, C. F., Hsiao, C. D. & Huang, T. H. The SARS coronavirus

600 nucleocapsid protein--forms and functions. *Antiviral Res* **103**, 39-50,

601 doi:10.1016/j.antiviral.2013.12.009 (2014).

602 3 Surjit, M. & Lal, S. K. The SARS-CoV nucleocapsid protein: a protein with multifarious

603 activities. *Infect Genet Evol* **8**, 397-405, doi:10.1016/j.meegid.2007.07.004 (2008).

604 4 Chang, C. K., Lo, S. C., Wang, Y. S. & Hou, M. H. Recent insights into the development of

605 therapeutics against coronavirus diseases by targeting N protein. *Drug Discov Today* **21**, 562-

606 572, doi:10.1016/j.drudis.2015.11.015 (2016).

607 5 Lin, S. Y. *et al.* Structural basis for the identification of the N-terminal domain of coronavirus

608 nucleocapsid protein as an antiviral target. *J Med Chem* **57**, 2247-2257, doi:10.1021/jm500089r

609 (2014).

610 6 Ge, Y. *et al.* A data-driven drug repositioning framework discovered a potential therapeutic

611 agent targeting COVID-19. *bioRxiv*, doi:10.1101/2020.03.11.986836 (2020).

612 7 Sarma, P. *et al.* In-silico homology assisted identification of inhibitor of RNA binding against

613 2019-nCoV N-protein (N terminal domain). *J Biomol Struct Dyn*, 1-9,

614 doi:10.1080/07391102.2020.1753580 (2020).

615 8 Li, P. L. *et al.* Phase transitions in the assembly of multivalent signalling proteins. *Nature* **483**,

616 336-U129, doi:10.1038/nature10879 (2012).

617 9 Case, L. B., Zhang, X., Ditlev, J. A. & Rosen, M. K. Stoichiometry controls activity of phase-

618 separated clusters of actin signaling proteins. *Science* **363**, 1093-1097,

619 doi:10.1126/science.aau6313 (2019).

620 10 Boija, A. *et al.* Transcription Factors Activate Genes through the Phase-Separation Capacity of

621 Their Activation Domains. *Cell* **175**, 1842-+, doi:10.1016/j.cell.2018.10.042 (2018).

622 11 Hnisz, D., Shrinivas, K., Young, R. A., Chakraborty, A. K. & Sharp, P. A. A Phase Separation

623 Model for Transcriptional Control. *Cell* **169**, 13-23, doi:10.1016/j.cell.2017.02.007 (2017).

624 12 Sabari, B. R. *et al.* Coactivator condensation at super-enhancers links phase separation and gene

625 control. *Science* **361**, doi:ARTN eaar3958

626 10.1126/science.aar3958 (2018).

627 13 Gibson, B. A. *et al.* Organization of Chromatin by Intrinsic and Regulated Phase Separation.

628 *Cell* **179**, 470-+, doi:10.1016/j.cell.2019.08.037 (2019).

629 14 Larson, A. G. *et al.* Liquid droplet formation by HP1 alpha suggests a role for phase separation

630 in heterochromatin. *Nature* **547**, 236-+, doi:10.1038/nature22822 (2017).

631 15 Lahaye, X. *et al.* Functional Characterization of Negri Bodies (NBs) in Rabies Virus-Infected

632 Cells: Evidence that NBs Are Sites of Viral Transcription and Replication. *J Virol* **83**, 7948-

633 7958, doi:10.1128/Jvi.00554-09 (2009).

634 16 Dinh, P. X. *et al.* Induction of Stress Granule-Like Structures in Vesicular Stomatitis Virus-

635 Infected Cells. *J Virol* **87**, 372-383, doi:10.1128/Jvi.02305-12 (2013).

636 17 Nikolic, J. *et al.* Negri bodies are viral factories with properties of liquid organelles. *Nat*

637 *Commun* **8**, doi:ARTN 58

638 10.1038/s41467-017-00102-9 (2017).

639 18 Zhou, Y. Q., Su, J. M., Samuel, C. E. & Ma, D. Measles Virus Forms Inclusion Bodies with

640 Properties of Liquid Organelles. *J Virol* **93**, doi:ARTN e00948-19

641 10.1128/JVI.00948-19 (2019).

642 19 Heinrich, B. S., Maliga, Z., Stein, D. A., Hyman, A. A. & Whelan, S. P. J. Phase Transitions  
643 Drive the Formation of Vesicular Stomatitis Virus Replication Compartments. *Mbio* **9**,  
644 doi:ARTN e02290-17

645 10.1128/mBio.02290-17 (2018).

646 20 Peng, Q. *et al.* Phase Separation of Epstein-Barr Virus EBNA2 and Its Coactivator EBNALP  
647 Controls Gene Expression. *J Virol* **94**, doi:ARTN e01771-19

648 10.1128/JVI.01771-19 (2020).

649 21 Tawara, J. T., Goodman, J. R., Imagawa, D. T. & Adams, J. M. Fine Structure of Cellular  
650 Inclusions in Experimental Measles. *Virology* **14**, 410-+, doi:Doi 10.1016/0042-  
651 6822(61)90332-4 (1961).

652 22 Hoenen, T. *et al.* Inclusion Bodies Are a Site of Ebolavirus Replication. *J Virol* **86**, 11779-11788,  
653 doi:10.1128/Jvi.01525-12 (2012).

654 23 Netherton, C. L. & Wileman, T. Virus factories, double membrane vesicles and viroplasm  
655 generated in animal cells. *Curr Opin Virol* **1**, 381-387, doi:10.1016/j.coviro.2011.09.008 (2011).

656 24 Novoa, R. R. *et al.* Virus factories: associations of cell organelles for viral replication and  
657 morphogenesis. *Biol Cell* **97**, 147-172, doi:10.1042/Bc20040058 (2005).

658 25 Cong, Y. *et al.* Nucleocapsid Protein Recruitment to Replication-Transcription Complexes Plays  
659 a Crucial Role in Coronaviral Life Cycle. *J Virol* **94**, doi:10.1128/JVI.01925-19 (2020).

660 26 Hagemeijer, M. C. *et al.* Dynamics of coronavirus replication-transcription complexes. *J Virol*  
661 **84**, 2134-2149, doi:10.1128/JVI.01716-09 (2010).

662 27 Verheij, M. H. *et al.* The coronavirus nucleocapsid protein is dynamically associated with the  
663 replication-transcription complexes. *J Virol* **84**, 11575-11579, doi:10.1128/JVI.00569-10 (2010).

664 28 Erdos, G. & Dosztanyi, Z. Analyzing Protein Disorder with IUPred2A. *Curr Protoc  
665 Bioinformatics* **70**, e99, doi:10.1002/cpbi.99 (2020).

666 29 Meszaros, B., Erdos, G. & Dosztanyi, Z. IUPred2A: context-dependent prediction of protein  
667 disorder as a function of redox state and protein binding. *Nucleic Acids Res* **46**, W329-W337,  
668 doi:10.1093/nar/gky384 (2018).

669 30 Lancaster, A. K., Nutter-Upham, A., Lindquist, S. & King, O. D. PLAAC: a web and command-  
670 line application to identify proteins with prion-like amino acid composition. *Bioinformatics* **30**,  
671 2501-2502, doi:10.1093/bioinformatics/btu310 (2014).

672 31 Elbaum-Garfinkle, S. *et al.* The disordered P granule protein LAF-1 drives phase separation into  
673 droplets with tunable viscosity and dynamics. *Proc Natl Acad Sci U S A* **112**, 7189-7194,  
674 doi:10.1073/pnas.1504822112 (2015).

675 32 Nott, T. J. *et al.* Phase transition of a disordered nuage protein generates environmentally  
676 responsive membraneless organelles. *Mol Cell* **57**, 936-947, doi:10.1016/j.molcel.2015.01.013  
677 (2015).

678 33 Wang, J. *et al.* A Molecular Grammar Governing the Driving Forces for Phase Separation of  
679 Prion-like RNA Binding Proteins. *Cell* **174**, 688-699 e616, doi:10.1016/j.cell.2018.06.006  
680 (2018).

681 34 Alberti, S., Halfmann, R., King, O., Kapila, A. & Lindquist, S. A systematic survey identifies  
682 prions and illuminates sequence features of prionogenic proteins. *Cell* **137**, 146-158,  
683 doi:10.1016/j.cell.2009.02.044 (2009).

684 35 Stohlman, S. A. *et al.* Specific Interaction between Coronavirus Leader Rna and Nucleocapsid

685 Protein. *J Virol* **62**, 4288-4295, doi:Doi 10.1128/Jvi.62.11.4288-4295.1988 (1988).

686 36 Nelson, G. W., Stohlman, S. A. & Tahara, S. M. High affinity interaction between nucleocapsid  
687 protein and leader/intergenic sequence of mouse hepatitis virus RNA. *J Gen Virol* **81**, 181-188,  
688 doi:Doi 10.1099/0022-1317-81-1-181 (2000).

689 37 Guillen-Boixet, J. *et al.* RNA-Induced Conformational Switching and Clustering of G3BP Drive  
690 Stress Granule Assembly by Condensation. *Cell* **181**, 346-361 e317,  
691 doi:10.1016/j.cell.2020.03.049 (2020).

692 38 Edgar, R. C. MUSCLE: multiple sequence alignment with high accuracy and high throughput.  
693 *Nucleic Acids Res* **32**, 1792-1797, doi:10.1093/nar/gkh340 (2004).

694 39 Zhao, W. M. *et al.* The 2019 novel coronavirus resource. *Yi Chuan* **42**, 212-221,  
695 doi:10.16288/j.yczz.20-030 (2020).

696 40 Koyama, T., Platt, D. & Parida, L. Variant analysis of SARS-CoV-2 genomes. *Bull World Health  
697 Organ* **98**, 495-504, doi:10.2471/BLT.20.253591 (2020).

698 41 Wang, C. *et al.* The establishment of reference sequence for SARS-CoV-2 and variation analysis.  
699 *J Med Virol* **92**, 667-674, doi:10.1002/jmv.25762 (2020).

700 42 Wu, C. H., Chen, P. J. & Yeh, S. H. Nucleocapsid phosphorylation and RNA helicase DDX1  
701 recruitment enables coronavirus transition from discontinuous to continuous transcription. *Cell  
702 Host Microbe* **16**, 462-472, doi:10.1016/j.chom.2014.09.009 (2014).

703 43 Wu, C. H. *et al.* Glycogen synthase kinase-3 regulates the phosphorylation of severe acute  
704 respiratory syndrome coronavirus nucleocapsid protein and viral replication. *J Biol Chem* **284**,  
705 5229-5239, doi:10.1074/jbc.M805747200 (2009).

706 44 Carlson, C. R. *et al.* Phosphorylation modulates liquid-liquid phase separation of the SARS-  
707 CoV-2 N protein. *bioRxiv*, doi:10.1101/2020.06.28.176248 (2020).

708 45 Peng, T. Y., Lee, K. R. & Tarn, W. Y. Phosphorylation of the arginine-serine dipeptide-rich motif  
709 of the severe acute respiratory syndrome coronavirus nucleocapsid protein modulates its  
710 multimerization, translation inhibitory activity and cellular localization. *FEBS J* **275**, 4152-4163,  
711 doi:10.1111/j.1742-4658.2008.06564.x (2008).

712 46 Ye, Q., West, A. M. V., Silletti, S. & Corbett, K. D. Architecture and self-assembly of the SARS-  
713 CoV-2 nucleocapsid protein. *Protein Sci*, doi:10.1002/pro.3909 (2020).

714 47 Savastano, A. *et al.* Nucleocapsid protein of SARS-CoV-2 phase separates into RNA-rich  
715 polymerase-containing condensates. *bioRxiv*, doi:10.1101/2020.06.18.160648 (2020).

716 48 Perdikari, T. M. *et al.* SARS-CoV-2 nucleocapsid protein undergoes liquid-liquid phase  
717 separation stimulated by RNA and partitions into phases of human ribonucleoproteins. *bioRxiv*,  
718 doi:10.1101/2020.06.09.141101 (2020).

719 49 Iserman, C. *et al.* Specific viral RNA drives the SARS CoV-2 nucleocapsid to phase separate.  
720 *bioRxiv*, doi:10.1101/2020.06.11.147199 (2020).

721 50 Klein, I. A. *et al.* Partitioning of cancer therapeutics in nuclear condensates. *Science* **368**, 1386-  
722 1392, doi:10.1126/science.aaz4427 (2020).

723 51 Agostini, M. L. *et al.* Coronavirus Susceptibility to the Antiviral Remdesivir (GS-5734) Is  
724 Mediated by the Viral Polymerase and the Proofreading Exoribonuclease. *Mbio* **9**,  
725 doi:10.1128/mBio.00221-18 (2018).

726 52 Gordon, C. J. *et al.* Remdesivir is a direct-acting antiviral that inhibits RNA-dependent RNA  
727 polymerase from severe acute respiratory syndrome coronavirus 2 with high potency. *J Biol  
728 Chem* **295**, 6785-6797, doi:10.1074/jbc.RA120.013679 (2020).

729 53 Yin, W. *et al.* Structural basis for inhibition of the RNA-dependent RNA polymerase from  
730 SARS-CoV-2 by remdesivir. *Science* **368**, 1499-1504, doi:10.1126/science.abc1560 (2020).

731 54 Li, Z. *et al.* Rapid review for the anti-coronavirus effect of remdesivir. *Drug Discov Ther* **14**,  
732 73-76, doi:10.5582/ddt.2020.01015 (2020).

733 55 McKee, D. L., Sternberg, A., Stange, U., Laufer, S. & Naujokat, C. Candidate drugs against  
734 SARS-CoV-2 and COVID-19. *Pharmacol Res* **157**, 104859, doi:10.1016/j.phrs.2020.104859  
735 (2020).

736 56 Gao, Y. *et al.* Structure of the RNA-dependent RNA polymerase from COVID-19 virus. *Science*  
737 **368**, 779-782, doi:10.1126/science.abb7498 (2020).

738

739